



# Department of Justice

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## **OWNER OF "ZIPMOUSE" PLEADS GUILTY TO FRAUD, MONEY LAUNDERING**

CINCINNATI – Keith Lawrence, age 34, of Cleves, Ohio, pleaded guilty in United States District Court here today to defrauding investors in Internet-based companies he created out of \$532,500 in one year by claiming that one of the companies was profitable when it wasn't and the other two companies were developing products that never existed.

Gregory G. Lockhart, United States Attorney for the Southern District of Ohio; Jose A. Gonzalez, Special Agent in Charge, Internal Revenue Service, Criminal Investigation; and J. Mark Batts, Acting Special Agent in Charge, Federal Bureau of Investigation Cincinnati Field District announced the plea entered today before Senior United States District Judge Herman Weber.

Lawrence pled guilty to a two-count information charging him with one count of wire fraud and one count of money laundering.

According to a statement of facts filed with Lawrence's plea, Lawrence launched Zipmouse.com in April 2005 as an Internet search service that made money by selling advertising space to companies who listed their websites listed on Zipmouse. Lawrence admitted that he began defrauding investors in July 2005 by deceiving them about the company's financial condition while soliciting investments in Zipmouse and two other companies Lawrence had created.

Lawrence told investors that one of the companies had developed a laser-based measuring system that would create a computer diagram of the space it measured. The other company was supposed to be developing an Internet-based gift-giving technology that allowed a giver to match gifts to a recipient's personality. Lawrence misled investors when he claimed that they could expect a "substantial" return on their investment because two well-known companies were planning to buy the products. In fact, neither of the companies had ever heard of the products.

Lawrence deposited money he received from investors into his personal bank accounts.

Wire fraud carries a maximum penalty of not more than twenty years imprisonment, a fine of the greater of \$250,000 (or twice the gross gain to the defendant or loss of the victim, 18 U.S.C. § 3571(d)), not more than three years of supervised release, restitution, and a \$100 special assessment. Money laundering carries a maximum penalty of not more than ten years imprisonment, a fine of the greater of \$250,000 (or twice the amount of the property involved in the transaction), not more than three years of supervised release, restitution, and a \$100 special assessment.

Judge Weber scheduled Lawrence's sentencing for November 7.

Lockhart commended the cooperative investigation conducted by IRS and FBI agents and Assistant U.S. Attorney Ben Dusing, who is prosecuting the case.

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